



## **STAFF REPORT ACTION REQUIRED**

### **Auditor General's Reports - Review of Toronto Transit Commission Bus Maintenance and Shops Department, Phase Two: Non-Revenue Fleet and Equipment Management and Maintenance; and Review of Toronto Transit Commission, Non-Revenue Vehicle Fuel Card Controls Need Immediate Improvement**

<b>Date:</b>	March 26, 2015
<b>To:</b>	TTC Board
<b>From:</b>	Chief Executive Officer

#### **Summary**

---

The purpose of this report is to forward the City of Toronto Auditor General's Reports - Review of Toronto Transit Commission Bus Maintenance and Shops Department, Phase Two: Non-Revenue Fleet and Equipment Management and Maintenance; and Review of Toronto Transit Commission, Non-Revenue Vehicle Fuel Card Controls Need Immediate Improvement dated December 24, 2014 to the TTC Board for its review and consideration.

The attached audit reports prepared and signed by the Auditor General and management's response to the recommendations contained in the reports were before the TTC Audit Committee at its meeting on February 19, 2015.

#### **Recommendations**

---

It is recommended that the TTC Board:

- (1) Review and consider the City of Toronto Auditor General's reports entitled Review of Toronto Transit Commission Bus Maintenance and Shops Department, Phase Two: Non-Revenue Fleet and Equipment Management and Maintenance; and Maintenance and Review of Toronto Transit Commission, Non-Revenue Vehicle Fuel Card Controls Need Immediate Improvement; and
- (2) Forward the Auditor General's Report to the City's Audit Committee for information.

## **Financial Impact**

The Auditor General has indicated in their reports that the implementation of recommendations in the reports will likely result in cost savings and improved operating efficiency. The extent of any resources required or potential cost savings resulting from implementing the recommendations is not yet known. Management agrees with all of the Auditor General's recommendations and is taking action to implement improvements in controls where identified.

## **Decision History**

At its meeting on Thursday, February 19, 2015 the TTC Audit Committee had before it the City of Toronto Auditor General's reports entitled Review of Toronto Transit Commission Bus Maintenance and Shops Department, Phase Two: Non-Revenue Fleet and Equipment Management and Maintenance; and Maintenance and Review of Toronto Transit Commission, Non-Revenue Vehicle Fuel Card Controls Need Immediate Improvement. The TTC Audit Committee approved the following:

- 1) Received the reports from the Auditor General and approved forwarding the reports to the TTC Board meeting on March 26, 2015;
- 2) Requested staff report back to the May 21, 2015 TTC Audit Committee meeting with a progress report on implementation of the recommendations in the Auditor General's reports; and
- 3) Requested staff report back to the May 21, 2015 TTC Audit Committee meeting on how TTC will be using GPS for fleet and equipment management and maintenance, and the progress for implementation.

## **Contact**

Joseph L. Kennelly, CPA/CA, CISA  
Head of Audit  
Phone: (416) 393-2030  
E-mail: [joseph.kennelly@ttc.ca](mailto:joseph.kennelly@ttc.ca)

## **Attachment**

Auditor General's Reports